

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of

THE APPLICATION OF LAKEWOOD)	
VALLEY DEVELOPMENT COMPANY)	
FOR AN ADJUSTMENT OF RATES)	CASE NO. 8908
PURSUANT TO THE ALTERNATIVE)	
PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On January 26, 1984, the Commission entered its Order authorizing an increase in the rates charged by Lakewood Valley Development Company ("Lakewood Valley").

On March 7, 1984, the Commission received a letter from Debra Kelley, Crestwood, Kentucky, stating that, to her knowledge and the knowledge of the residents of Lakewood Valley, the customers were not notified of the proposed rate increase.

807 KAR 5:076, Sections 3 and 4 (alternative rate adjustment procedure for small utilities) and KRS 278.185 (applicable to sewer utilities) require the utility to give notice to its customers including notice as to intervention.

On March 23, 1984, the Commission received a letter from Lakewood Valley stating that its customers were not notified of the proposed rate increase. The letter further states that Lakewood Valley expected to receive a notice from the Commission advising that the rate was approved subject to any requests for a hearing and that, at that time, the residents were to be notified.

The Commission, having considered the matter and being advised, is of the opinion and finds that Lakewood Valley did not notify its customers of the proposed rate adjustment as required by 807 KAR 5:076, Sections 3 and 4 and KRS 278.185, that notice should be given immediately, and that proof of notice should be filed with the Commission.

The Commission further finds that the increased rates placed into effect by Lakewood Valley pursuant to the Commission's Order entered January 26, 1984, should be subject to refund pending notice to the customers and further Orders of the Commission.


IT IS THEREFORE ORDERED That Lakewood Valley shall immediately notify its customers of the rates initially proposed as required by 807 KAR 2:076, Sections 3 and 4 and KRS 278.185 and shall file proof of notice with the Commission.

IT IS FURTHER ORDERED That the rate increase placed into effect by Lakewood Valley shall be subject to refund pending further Orders of the Commission.


IT IS FURTHER ORDERED That Lakewood Valley shall maintain its records in such manner as will enable it, or the Commission, or any of its customers to determine the amounts to be refunded and to whom due in the event a refund is ordered upon the final determination of the case pursuant to KRS 278.190(4).

Done at Frankfort, Kentucky, this 4th day of April, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary